## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors.1

PROMESA Title III

No. 17-BK-3283-LTS

(Jointly Administered)

This filing relates to the Commonwealth and ERS.

REPLY OF THE COMMONWEALTH OF PUERTO RICO TO RESPONSE [ECF NO. 19799] TO THE FOUR HUNDRED SIXTH OMNIBUS OBJECTION (SUBSTANTIVE) OF THE COMMONWEALTH OF PUERTO RICO AND THE EMPLOYEES RETIREMENT SYSTEM OF THE GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO TO DUPLICATE LITIGATION CLAIMS

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the "<u>Commonwealth</u>") and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS," and together with the

The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 -BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA," and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the "Debtors") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Commonwealth, the "<u>Debtors</u>"), by and through the Financial Oversight and Management Board for Puerto Rico (the "<u>Oversight Board</u>") as the sole Title III representative of the Debtors pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("<u>PROMESA</u>"),<sup>2</sup> file this reply (the "<u>Reply</u>") to the response [ECF No. 19799] (the "<u>Response</u>") filed by claimant Marilyn Cintrón Serrano ("<u>Claimant</u>") to the *Four Hundred Sixth Omnibus Objection (Substantive) of the Commonwealth of Puerto Rico and the Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Duplicate Litigation Claims [ECF No. 19555] (the "<u>Four Hundred Sixth Omnibus Objection</u>"). In support of this Reply, the Debtors respectfully represent as follows:* 

1. On December 17, 2021, the Commonwealth and ERS filed the Four Hundred Sixth Omnibus Objection seeking to disallow certain duplicative proofs of claim (the "Claims to Be Disallowed"). As set forth in the Four Hundred Sixth Omnibus Objection, each of the Claims to Be Disallowed asserts the same liabilities as those asserted in master claims (the "Master Claims") filed on behalf of all plaintiffs in litigation, including, with respect to the Claimant, the litigation captioned Francisco Beltrán Cintrón et al. v. Puerto Rico Department of Family Affairs, Case No. KAC-2009-0809 (the "Beltrán Cintrón Litigation"). Each of the Claims to Be Disallowed was filed by one of the individual plaintiffs in the litigation asserted by the Master Claims, as identified in the supporting documentation provided with the Master Claims or the verified statement of the attorney representing all claimants in the litigation. Further, none of the Claims to Be Disallowed asserts any additional liabilities or bases for liability beyond what is included in the Master Claims. Accordingly, the Claims to Be Disallowed are duplicative of the Master Claims.

<sup>&</sup>lt;sup>2</sup> PROMESA is codified at 48 U.S.C. §§ 2101–2241.

- 2. Any party who disputed the Four Hundred Sixth Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on February 2, 2022 in accordance with the Court-approved notice attached to the Four Hundred Sixth Omnibus Objection as Exhibit C, which was served in English and Spanish on the individual creditors subject to the Four Hundred Sixth Omnibus Objection, the U.S. Trustee, and the Master Service List (as defined in the *Fifteenth Amended Notice, Case Management and Administrative Procedures* [ECF No. 17127-1]). See Certificate of Service [ECF No. 19706].
- 3. On May 16, 2018, the Claimant filed a proof of claim against the Commonwealth, which was logged as Proof of Claim No. 16103 (the "Claim"). The Claim asserts liabilities in the amount of \$70,000, purportedly related to salary adjustments.
- 4. The Claimant filed the Response on January 14, 2022. The Response does not address the Debtors' contention that the Claim is duplicative of the Master Claim filed in connection with the Beltrán Cintrón Litigation. Rather, the Claimant states: "I am sending you for the second time all the documentation that I submitted to make the claims for salary increases that were not given to me in the years that I worked for the Government of Puerto Rico, from 1994 to the present," and indicates the Claimant is a member of the plaintiff group in the Beltrán Cintrón Litigation. Response at 1. While the Response attaches supporting documentation related to the Claimant's employment with the Puerto Rico Department of Family Affairs, and her wages and pension, the plaintiffs in the Beltrán Cintrón Litigation are former Department of Family Affairs employees who allege the Department withheld wages and pension payments. Accordingly, all of the additional supporting documentation provided by the Claimant relates directly to the Beltrán Cintrón Litigation, and the Response does not dispute that the liabilities asserted in the Claim are duplicative of the Master Claim filed in connection with the Beltrán Cintrón Litigation.

5. For the foregoing reasons, the Debtors respectfully request that the Court grant the Four Hundred Sixth Omnibus Objection, notwithstanding the Response.

Dated: April 11, 2023

San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer

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